

EXHIBIT 1

HOUSE OF REPRESENTATIVES, U. S.

REPORT OF PROCEEDINGS
(Unprinted Transcript, Vol. 31)

Hearing held before
Special Subcommittee on Legislative Oversight of the
COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE
FEDERAL TRADE COMMISSION AND SECURITIES AND
EXCHANGE COMMISSION MATTERS

Washington, D. C.
July 17, 1958

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Mr. Bennett: . . . Now, I will tell you why I am asking these questions about gifts to [Judge] McCarthy. It is because of a story that appeared in Time magazine on June 30. I do not know whether you read it or not but I will read part of it to you. It is on page 14. They are discussing the case.

Mr. Goldfine: A little louder, please, Mr. Bennett.

Mr. Bennett: They are discussing the case which was presently pending against you in the District Court in Boston in Judge Wyzanski's court.

There is this paragraph: "Even Judge Wyzanski barely jumped away from the flash of Goldfine's friendship money. Last November while he patiently started to sort the complex Boston Port operation, Wyzanski spent an evening with his wife at one of her fund-raising operations, this one for the American-Israel Cultural Organization" —which I assume is a very worthy cause.

Going to the article:

"Who should turn up and make a thousand dollar contribution 'in honor of Mrs. Wyzanski', but Bernard and Charlotte Goldfine whom the Wyzanskis had never met socially. With an air of innocent enthusiasm, Mrs. Goldfine bustled over to say that her husband had made the gift 'because he admired your wife.' Outraged Wyzanski considered disqualifying himself in the Boston Port case, discussed the incident with other judges and then rapped out an unusual personal comment from the bench, 'I am not clear whether Mr. Goldfine appreciated the significance of what he was doing.' "

Is it true that you gave the thousand dollar contribution in honor of Mrs. Wyzanski at the time you had this case pending?

Mr. Goldfine: Can I ask you a question, Mr. Bennett?

Whoever wrote that would be the same man that had the same kind of sickness that John Fox had. Who wrote that? You are reading something from Time.

Mr. Bennett, do you want to know the full facts? Then I will tell you. Just a minute.

You asked for it and I will give it to you.

Mr. Bennett: You did not answer the question.

Mr. Goldfine: Give me a chance.

Mr. Bennett: If you say this——

Mr. Goldfine: Going to answer.

Mr. Bennett: Let me preface my remarks further, Mr. Chairman.

I am not vouching for the authenticity of the facts. I am merely quoting them to you from Time magazine.

Mr. Goldfine: From the Time.

Mr. Bennett: Yes.

(The witness confers with his counsel.)

Mr. Goldfine: Mrs. Goldfine

The Chairman: You may answer if you like.

Mr. Goldfine: Mrs. Goldfine received a personal invitation to a musicale. She had the letter. We have the invitation to be present at a musicale that was given in honor of Mischa Elman, the violinist.

(The witness confers with his counsel.)

Mr. Goldfine: The letter was from Mrs. Wyzanski, this letter. That is Judge Wyzanski's wife and

Mr. Bennett: Did you give

Mr. Goldfine: Wait a minute. Let me tell you the facts because I might give the public the wrong impression.

The Chairman: Go ahead and answer the question in your own way.

Mr. Goldfine: And we, Mrs. Goldfine decided to accept the invitation. Mrs. Wyzanski asked for a reply. She got a reply from Mrs. Goldfine that we would be there.

We didn't ask to go there. We were invited by Mrs. Wyzanski. We had an invitation and we have the letter that was sent.

Now, what that musicale was, it was given in honor of Mischa Elman, the violinist, but that was whatever money was donated there was to go to build some kind of a musical center in Israel, and there were a lot of our friends there. It was the first time that we had been invited to that kind of an affair. Mrs. Goldfine and myself being admirers of Mischa Elman, and getting an invitation from Mrs. Wyzanski, we have her invitation in writing and an answer, we came there.

While we were there, after the concert was over, they asked for contributions and I listened to what others did, good friends of mine and Mrs. Goldfine's, and I thought the cause was a cause was very good, it was a charitable thing and others had donated a thousand dollars, quite a

few thousand dollars, so Mrs. Goldfine and myself donated a thousand dollars which you can make payable in two payments but that was not given in honor of Mrs. Wyzanski. You have it wrong. We have the proof that that had nothing to do with Mrs. Wyzanski.

Mr. Bennett: I am glad you cleared that up. I certainly think it is a worthy cause and my question was not raising any question.

Mr. Goldfine: What did you say?

Mr. Bennett: I am not raising an inference.

Mr. Goldfine: I mean you might give the public a different impression. There is a big difference between whether somebody invites you or whether you go with some ulterior motive in mind. Those are not the facts.

Mr. Bennett: I agree with you completely.

Mr. Goldfine: Good. I do I do with you.

Mr. Bennett: I agree with you completely in this respect that certainly that you were contributing to was a worthy cause.

I would be the last one to criticize it. What I wanted to know, and you took quite a while to get to the point was whether you had made the contribution in honor of Mrs. Wyzanski. You deny that you did that?

Mr. Goldfine: I did not make it in honor of Mrs. Wyzanski. We have also a letter from the fellow who went around to take the pledges that it wasn't given, it was solicited by. He asked us how did we come there, and we told him we were invited by Mrs. Wyzanski, and we were.

Mr. Bennett: I am not talking about that, Mr. Goldfine. I am asking you the question. This is the question: Do you deny that the thousand dollar contribution to the charity was made by you in honor of Mrs. Wyzanski?

Mr. Goldfine: I do.

Mr. Bennett: Now, did Judge Wyzanski refer to this incident later from the bench in saying what is quoted here?

Mr. Goldfine: He did.

Mr. Bennett: Just a minute. Wait until I finish the question. "I am not clear whether Mr. Goldfine appre-

viated the full significance of what he was doing." Did Judge Wyzanski make that statement?

Mr. Goldfine: He probably did, but we knew the facts. It was a horse of another color.

Mr. Bennett: Were you aware of Judge Wyzanski's statement?

Mr. Goldfine: What did you say?

Mr. Bennett: Were you aware that Judge Wyzanski made this statement?

Mr. Goldfine: I wasn't aware and I didn't care because I knew the facts.

(The witness confers with his counsel.)

Mr. Bennett: Did you make any effort to correct it?

Mr. Goldfine: I was not there when Judge Wyzanski made the speech.

Mr. Bennett: But you knew he made it?

Mr. Goldfine: Do I know Judge Wyzanski?

Mr. Bennett: Do you know he made the statement?

Mr. Goldfine: No question about it because my attorneys told me. They were there.

Mr. Bennett: Did you make the same explanation to the judge that you are making to me?

Mr. Goldfine: Mr. Sears and Mr. Brickley did. We did more than that. We got in touch with the one who made the pledge and got him in from Philadelphia where he lived.

The judge didn't know that Mrs. Wyzanski had given us a personal invitation. I don't think he did. Judge Wyzanski is a very fine man.

Mr. Bennett: Did the judge modify his statement in any way?

Mr. Goldfine: Did he what?

Mr. Bennett: Has Judge Wyzanski modified the statement that he made criticizing you?

Mr. Goldfine: He didn't criticize me. He didn't criticize me one bit.

Mr. Bennett: I will let the record speak for itself.

Mr. Goldfine: The record but also

Mr. Bennett: He said, "I am not clear whether Mr. Goldfine appreciated the full significance of what he was doing." That is what the judge said.

(The witness confers with his counsel.)

Mr. Bennett: All right. I have just one question.

You deny that anything was done in honor of Judge Wyzanski?

Mr. Goldfine: I deny that that was given in honor of Mrs. Wyzanski. Why should I?